

Fact Sheet: Selected Highlights of the FY2016 National Defense Authorization Act (H.R. 1735 and S. 1376)

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Following are selected highlights of the versions of H.R. 1735, the FY2016 National Defense Authorization Act (NDAA), passed by the House of Representatives on May 15, 2015, passed by the Senate on June 18, 2015, and reported on September 30, 2015 by a House-Senate conference committee. The version of the bill considered by the Senate had been reported by the Senate Armed Services Committee as S. 1376 on May 19, 2015. When the Senate took up H.R. 1735, it substituted the text of S. 1376 for the text of the House-passed version of H.R. 1735.

This CRS Fact Sheet, based on the three versions of the bill and their respective committee reports (H.Rept. 114-102, S.Rept. 114-49, and H.Rept. 114-270) is designed as a time-urgent product offering Members the best available information pending publication of a CRS report on the legislation.

Table 1. FY2016 National Defense Authorization Act (H.R. 1735)
(amounts in millions of dollars of discretionary budget authority)

	Budget Request	House-passed H.R. 1735	Senate committee- reported S. 1376	Conference Report
DOD Base Budget				
Procurement	106,967.4	109,735.7	111,847.6	110,824.0
Research and Development ^a	69,785.0	68,352.5	70,891.6	70,344.3
Operation and Maintenance	176,517.2	136,562.8	134,071.1	174,217.3
Military Personnel	136,734.7	136,443.2	135,480.2	135,712.3
Defense Health Program and Other Authorizations	35,917.5	37,860.4	35,891.0	35,524.9
Military Construction and Family Housing	8,306.5	7,151.0	8,305.6	8,078.5
Subtotal: DOD Base Budget	534,228.5	496,105.6	496,487.1	496,411.5
Atomic Energy Defense Activities ^b	19,031.5	18,856.2	18,735.5	18,557.7
TOTAL: National Defense Budget Function Base Budget	553,254.0	514,961.8	515,222.6	514,969.1
Overseas Contingency Operations (OCO)	50,949.6	50,949.1	50,901.3	50,945.7
OCO Funding for items requested in the Base Budget	0.0	38,290.0	38,899.1	38,290.0
Subtotal: OCO	50,949.6	89,239.1	88,900.4	89,235.7
GRAND TOTAL: FY2016 NDAA	604,209.4	604,200.9	604,123.0	604,204.8

Sources: H.Rept. 114-102, *Report of the Committee on Armed Services of the House of Representatives on H.R. 1735, the National Defense Authorization Act for FY2016*; S.Rept. 114-49, *Report of the Committee on Armed Services of the Senate on S. 1376, the National Defense Authorization Act for FY2016*; and H.Rept. 114-270, *Conference Report to accompany H.R. 1735, the National Defense Authorization Act for FY2016*.

Notes:

- a. The House bill did not consider \$5.8 million requested for one Army R&D program.
- b. Summary tables in the Senate report did not include \$29.2 million requested for the Defense Nuclear Facilities Safety board, although the Senate bill does authorize the requested amount.

Table 2. Selected Administration Policy and Cost-Cutting Proposals

Administration Proposal	House committee-reported bill H.R. 1735	Senate committee-reported bill	Conference Report
1.3% Raise in Military Basic Pay in lieu of the 2.3% raise that would occur under existing law ^a	Report calls for 2.3% raise, but the bill includes no relevant provision	Authorizes 1.3% raise, as requested, for most personnel, but none for generals and admirals (Section 601)	Freezes basic pay for generals and admirals (Section 601); report acknowledges President's authority to set 1.3% raise for other military
Reduce Commissary Subsidy by efficiencies and reduction of store hours but without closing stores ^a	Rejects proposal (Section 642); authorizes an additional \$322 million to continue current policy in FY2016	Authorizes some proposed efficiencies (Section 651); requires a plan for commissary privatization; authorizes no additional funds	Rejects Administration proposal; adds \$281.2 million to continue current policy; requires a "budget neutral" plan to hold annual subsidy at current level of \$1.4 billion (Section 651).
Slow rate of increase in Housing Allowance to eventually cover 95% of rental costs in lieu of current 99% coverage ^a	Rejects proposal; authorizes an additional \$400 million to continue current policy in FY2016	Authorizes proposed change (Section 602);	Authorizes the proposed change but phases it in over five years (2015-19). (Section 603); adds \$300 million to allow for slower implementation.
Changes to TRICARE medical insurance including enrollment fee for TRICARE-for-Life (for retirees) and increased pharmacy co-pays for non-active duty beneficiaries	Authorizes none of the proposed changes	Authorizes certain increases in co-pays (Section 702); cuts \$85 million requested to cover cost of the rejected proposals; does not authorize TRICARE-for-Life enrollment fee	Authorizes some pharmacy co-pay increases (Section 702); cuts \$71 million requested to cover rejected proposals; does not authorize TRICARE-for-Life enrollment fee.
Move all Apache attack helicopters from National Guard units to Army units; re-equip some of those Guard units with Black Hawk troop carriers ^b	Bars Apache moves until 60 days after a commission report (Section 1053); authorizes \$136.8 million to buy new Black Hawks and modernize old ones for Guard units	Extends by six months (through end of FY2016) current law barring transfer to Army of more than 48 helicopters (Section 1044)	Bars Apache moves until 60 days after a commission report (Section 1054); adds \$128.0 million to buy new Blackhawks for Guard units.
Continue mothballing A-10 ground-attack aircraft ^c	Bars retirement of A-10s (Section 133); reduces to 18 the number that can be sidelined (Section 132); authorizes an additional \$603.1 million to keep operating all other A-10s	Bars retirement of A-10s and requires that 171 A-10s be in combat-ready status, thus barring the sidelining of additional aircraft (Section 134); adds \$257 million for A-10 operations	Reduces to 18 the number of A-10s that can be moved to back-up status (Section 141); requires that 171 A-10s be combat-ready; Adds \$388.5 million for A-10 operations.

- a. For background, see CRS Report RL33446, *Military Pay: Key Questions and Answers*, by Lawrence Kapp and Barbara Salazar Torreon.
- b. For background, see CRS Report R43808, *Army Active Component (AC)/Reserve Component (RC) Force Mix: Considerations and Options for Congress*, by Andrew Feickert and Lawrence Kapp
- c. For background, see CRS Report R43843, *Proposed Retirement of A-10 Aircraft: Background in Brief*, by Jeremiah Gertler.

Table 3. Selected Congressional Budget Increases and Policy Additions

Issue	House-passed H.R. 1735	Senate committee- reported bill	Conference Report
F/A-18E/F Navy fighters (none requested) ^a	Adds \$1.15 billion for 12 F/A-18E/Fs	Adds \$1.15 billion for 12 F-18E/Fs	Adds \$978.8 million for 12 F/A-18E/Fs
F-35 Joint Strike Fighter (\$11.0 billion requested for 57 planes) ^b	Adds \$1.0 billion for 6 Marine Corps versions (F-35B)	Adds \$1.05 billion for 6 Marine Corps versions (F-35B)	Adds \$846.0 million for 6 Marine Corps versions (F-35B)
\$16.6 billion ship building budget funds for 10 ships and components for three more	Adds \$347 million for components to be used in future construction of two additional ships	Adds \$1.66 billion to buy components and/or accelerate work on six ships.	Adds a net \$1.03 billion, primarily to accelerate or increase work on six shipbuilding programs.
Construction of a ballistic missile defense site near the East Coast (in addition to current sites in Alaska and California)	Adds \$30.0 million to plan and design East Coast site; requires deployment of SBX radar on East Coast (Section 1673)	Requires a plan to cut 2 years off construction time for a potential East Coast site but does not require deployment (Section 1641)	Adds \$30 million to plan and design an additional U.S. defense site; requires selection of location and preparation of a plan to reduce deployment timetable by 2 years (Section 1683); require deployment on East Coast of SBX or equivalent sensor (Section 1684).
Changes to Military Retirement System (No change was proposed as part of the budget, but a far-reaching revision was proposed by a legislatively mandated commission.)	Modifies the system for new servicemembers, with changes along the lines proposed by a national commission, including Thrift Savings Plan (Sections 631-634)	Modifies the system for new servicemembers, with changes along the lines proposed by a national commission, including Thrift Savings Plan (Sections 633-636)	Modifies the system for new servicemembers, with changes along the lines proposed by a national commission, including Thrift Savings Plan (Sections 631-635);
Lethal military assistance to Ukraine	Adds \$200 million to train and equip Ukrainian forces (Section 1532)	Authorizes military assistance and intelligence support to Ukraine (Section 1251) and adds \$300 million to do so	Authorizes \$300 million for assistance to Ukraine of which \$50 million is only for counterartillery radar and lethal assistance (Section 1250).
Funds requested (\$715 million) to train and equip Iraqi forces to oppose ISIL	Authorizes the request and requires that 25% of anti-ISIL funds for Iraq go to Kurdish and Sunni forces inside Iraq (Section 1223)	Authorizes the request	Authorizes the request; Authorizes the Secretary of Defense, under certain circumstances, to provide assistance directly to Kurdish and Sunni forces (Section 1223).

- a. For background, see CRS Report RL30624, *Navy F/A-18E/F and EA-18G Aircraft Program*, by Jeremiah Gertler.
- b. For background, see CRS Report RL30563, *F-35 Joint Strike Fighter (JSF) Program*, by Jeremiah Gertler
- c. For background, see CRS Report RL32665, *Navy Force Structure and Shipbuilding Plans: Background and Issues for Congress*, by Ronald O'Rourke
- d. For background, see CRS Report R43832, *Russian Compliance with the Intermediate Range Nuclear Forces (INF) Treaty: Background and Issues for Congress*, by Amy F. Woolf.
- e. CRS Insight IN10286, *FY2016 NDAA: A Comparison of House and Senate Provisions for Military Retirement Reform*, by Kristy N. Kamarck.

Table 4. Selected Congressional Prohibitions and Budget Reductions

Issue	House-passed H.R. 1735	Senate committee- reported bill	Conference Report
Funds cut from request on grounds that they exceed the amount required for a program in FY2016 or because of unobligated balances	Cuts \$2.6 billion to be made up for by unobligated balances appropriated in earlier budgets but not spent as planned	Cuts \$1.4 billion to be made up for by unobligated balances and \$490 million deemed in excess of the amounts required in FY2016	Cuts \$1.6 billion to be made up for by unobligated balances and \$276 million deemed in excess of the amounts required in FY2016
Fuel prices assumed in budget request	Cuts \$1.6 billion on the assumption that fuel prices will be lower than assumed	Cuts \$1.8 billion on the assumption that fuel prices will be lower than assumed	Cuts \$1.6 billion on the assumption that fuel prices will be lower than assumed
Foreign currency assumptions	Cuts \$1.4 billion on the assumption that purchase of goods and services by U.S. forces overseas will cost less than budget assumed (due to increased value of the dollar against foreign currencies)	Cuts \$891 million on the assumption that purchase of goods and services by U.S. forces overseas will cost less than budget assumed (due to increased value of the dollar against foreign currencies)	Cuts \$1.4 billion on the assumption that purchase of goods and services by U.S. forces overseas will cost less than budget assumed (due to increased value of the dollar against foreign currencies)
Administration plan to reduce the size of Administrative Headquarters by 20% over 5 years	Requires a baseline accounting of headquarters budgets and personnel and a specific plan for reductions (Section 905)	Requires a 7.5% reduction in headquarters in FY2016 and in each of the following four years (Section 351) Cuts \$1.7 billion to match the required cutback	Requires Administration to cut headquarters and support costs by \$10.0 billion by FY2019 (Section 346); for that purpose, cuts \$1.3 billion from FY2016 request
Long-range Strike Bomber (\$1.25 billion requested for R&D) ^a	Cuts \$460 million because of changes in schedule	Cuts \$460 million because of changes in schedule	Cuts \$460 million because of changes in schedule
KC-46 tanker plane; (\$2.35 billion requested to procure 12 planes and \$602 million for R&D) ^b	Cuts \$24 million from procurement request and \$200 million from R&D request because of changes in program's schedule	Cuts \$24 million from procurement request and \$200 million from R&D request because of changes in program's schedule	Cuts \$24 million from procurement request and \$200 million from R&D request because of changes in program's schedule
Administration's effort to close the detention facility at Guantanamo Bay, Cuba ^c	Repeals provision of FY2014 NDAA that increased the President's discretion to transfer Guantanamo detainees to other places (Sections 1039); prohibits detainee transfers to Yemen (Section 1042); Adds \$76 million for Guantanamo Bay barracks	Repeals provision of FY2014 NDAA that increased the President's discretion to transfer Guantanamo detainees; restrictions on movement of detainees would be relaxed if Congress approves a DOD plan to close the facility (Sections 1033); prohibits detainee transfers to Yemen (Section 1035)	Repeals provision of FY2014 NDAA that increased the President's discretion to transfer Guantanamo detainees and requires detailed certification to Congress that the transfer of any detainee meets certain conditions (Section 1034); prohibits detainee transfers to Libya, Somalia, Syria, or Yemen (Section 1033); requires a comprehensive strategy for detaining individuals (Section 1035)

- a. For background, see CRS Insight IN10095, *Budget Highlight: Air Force Long Range Strike Bomber*, by Jeremiah Gertler.
- b. For background, see CRS Report RL34398, *Air Force KC-46A Tanker Aircraft Program*, by Jeremiah Gertler.
- c. For background, see CRS Report R42143, *Wartime Detention Provisions in Recent Defense Authorization Legislation*, by Jennifer K. Elsea and Michael John Garcia.

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